

# 8. Disability Benefits

**A**s a member of the Defined Benefit Program, you have disability protection under one of the CalSTRS disability benefit programs. These are Disability Allowance under Coverage A or Disability Retirement under Coverage B. See the topic, Coverage A or Coverage B, later in this section for details on learning which coverage you have.

You may receive disability benefits if you meet eligibility requirements, including conditions for application and medical documentation requirements, and you have a medically determinable physical or mental impairment that prevents you from performing your usual job or comparable duties. The impairment must be permanent or expected to last at least 12 continuous months. Comparable duties are those for which you are qualified or can become qualified within a reasonable period of time with education, training or experience.

## Before Filing a Disability Application

As soon as you start to consider applying for a disability allowance, Coverage A, or disability retirement, Coverage B, it's a good idea to learn about the choices available to you. For instance, if you return to active membership and later take a service retirement, your benefit will be calculated differently than if you had not received disability benefits.

A CalSTRS benefits counselor can provide details to help you make an informed decision. When scheduling an interview, inform the schedule coordinator that you wish to discuss a disability application.

If you are 55 or older and have 25 years or more of service credit, before completing a disability application it is especially important that you consult with a CalSTRS benefits counselor to compare disability and service retirement benefits.

For a list of benefits counseling locations and telephone numbers, see Section 4, Building Your Financial Future.

## Reasonable Accommodation

Sometimes adjustments in the work environment can enable a member to continue working. Federal and state laws require employers to make reasonable adjustments for employees. Making such adjustments is known as *reasonable accommodation*. CalSTRS may also require you to request reasonable accommodation from your employer as a condition for receiving a disability benefit.

Examples of reasonable accommodation include employing a teacher's aide, changing your grade level or subject assignment, improving your classroom or parking assignment, relieving you from yard duty and assigning you to other positions for which you may be qualified.

If you have questions about reasonable accommodation, contact your school district or call CalSTRS at 800-228-5453 and enter 401.

## Steps in the Disability Application Process

It is advisable to see a CalSTRS benefits counselor before beginning the disability application process. However, if you cannot see a counselor right away, do not delay submitting your application. You can see a counselor anytime during the process and withdraw your application later, if necessary.

- Request a disability application packet from CalSTRS.
- Send the completed application and any pertinent documents to CalSTRS via certified mail, return receipt requested. Remember: the date that the application is received at CalSTRS establishes the benefit effective date.

- CalSTRS receives and acknowledges receipt of your disability application and other documents you submit.
- CalSTRS reviews your application and eligibility status and mails requests for medical and other required documents to you.
- CalSTRS waits for receipt of information and sends follow-up requests for missing documents.
- CalSTRS will notify you if an Independent Medical Examination or Independent Vocational Evaluation must be scheduled.
- CalSTRS reviews all data on file and determines approval or disapproval.
- CalSTRS sends notification of decision to you.
- You have applied within four months of your last day of actual performance of service if you are on a personal leave of absence.
- You have applied within twelve months of your last day of actual performance of service if you are on an employer-approved leave to study at an approved college or university.

For more information, visit our Web site at [www.calstrs.com](http://www.calstrs.com), contact a CalSTRS benefits counselor or call us at 800-228-5453. We also encourage conservators, guardians or others caring for a physically or mentally incapacitated CalSTRS member to contact us to inquire if the member qualifies for disability benefits.

## Filing a Disability Benefit Application

### How to File

To request a disability application packet, call us at 800-228-5453, write to CalSTRS or request a packet via our Web site at [www.calstrs.com](http://www.calstrs.com). You should send all completed disability application documents to CalSTRS by certified mail and request a return receipt.

### When to File

You can file a disability application while you are working or receiving sick leave or differential pay benefits from your employer. The effective date of disability benefits cannot be earlier than the first day of the month in which CalSTRS receives the application, but must be later than the last day of service for which you are paid.

CalSTRS encourages you not to wait until all benefits are exhausted before filing for disability benefits.

You can also file an application while you are not working if you meet one of the following conditions:

- You have been physically or mentally incapacitated from performance of service and the incapacity has been continuous from your last day of actual performance of service.
- You have applied within four months of termination of your CalSTRS-covered employment.

### Timeframe for Processing a Claim

The length of processing time varies from one to six months depending on individual cases. Medical information, including additional professional opinions, may be required to make a final determination. You can help CalSTRS by filing a complete application, including relevant physician and hospital reports and promptly providing any other required documentation.

Do not hold off filing your application because you do not have your medical documents.

### Information to Provide

If you believe you are eligible to file for disability benefits, you will need to provide information including medical records and hospital reports. You are responsible for any fees charged for providing information to CalSTRS.

If additional medical information is necessary, an Independent Medical Examination may be scheduled. CalSTRS will notify you if this is necessary, and CalSTRS will pay for the examination and any reasonable related costs.

### Independent Vocational Evaluation

An independent vocational evaluation may be required to determine if you can perform your essential core duties at a *comparable level*. Duties of a comparable level are defined as any job that a member may be qualified to perform that will provide earnings of 66 $\frac{2}{3}$  percent or more of the member's indexed final compensation.

The independent vocational evaluation usually begins with an interview with a vocational consultant. The consultant will discuss your job history and residual functional capabilities and limitations. Your employer may be interviewed to determine if your job can be modified and to see if reasonable accommodation would allow you to continue working.

### **Notification**

You will receive written notification after CalSTRS reaches a decision on your disability application.

### **Approval**

If your disability application is approved and you are still performing creditable service, you must cease on-the-job employment before CalSTRS can begin paying your benefits. Notification of your approval will also be sent to your employer.

You should receive your first disability payment within 45 days after CalSTRS receives all necessary information. The payment will include any retroactive disability payment amounts due.

After receipt of this first payment, you will receive a regular disability payment on or about the first day of each month.

### **Prescribed Treatment Program**

If your disability is amenable to treatment that could allow you to perform your usual duties or those of a comparable level, you may be required to participate in a Prescribed Treatment Program developed by your attending physician.

### **Limited-Term Disability Benefits**

If your condition is expected to improve with mental, physical or vocational rehabilitation, you may be approved for limited-term disability benefits. These benefits are granted for a specific time period; however, CalSTRS can renew them if your condition does not improve.

### **Vocational Rehabilitation Program**

The CalSTRS Rehabilitation Program may provide services to members receiving a disability benefit.

If CalSTRS determines that you are a potential candidate for the Rehabilitation Program, an independent vocational evaluation will be conducted to assess your current capabilities and limitations. The consultant will also discuss your career interests and help you develop a rehabilitation plan with the goal of helping you return to comparable level employment.

You are required to make a good faith effort in developing a rehabilitation plan. Upon development and approval of your plan, CalSTRS will pay reasonable costs for tuition, fees, books and materials related to a college or vocational training program, transportation, job placement assistance and other activities that prepare you to return to comparable level employment.

If your medical condition worsens and you cannot continue your vocational rehabilitation program, your benefit will not be terminated.

### **Disapproval**

#### ***Right to Appeal***

If your disability application is not approved, you will receive a letter explaining the reasons and your right to appeal.

If you have reached age 55 or older at the time disability benefits are denied, information about service retirement will also be sent to you. You may apply for and receive a service retirement benefit while you appeal the disability decision. The following identifies who will hear the appeal.

- **Office of Administrative Hearings**

Appeals are processed through the Office of Administrative Hearings, a governmental agency independent of CalSTRS. You may represent yourself or hire an attorney to represent you at the hearing. An administrative law judge hears all evidence related to the case and issues a proposed decision to the Teachers' Retirement Board.

- **Teachers' Retirement Board**

The board can adopt or reject the decision of the administrative law judge. If you are dissatisfied with the decision of the Teachers' Retirement Board, you can appeal its decision to a Superior Court.

## Coverage A or Coverage B

You are protected for disability under either Coverage A, Disability Allowance or Coverage B, Disability Retirement.

If you became a CalSTRS member after October 15, 1992, you are protected under Coverage B. If you were a CalSTRS member prior to 1992, you remain in Coverage A unless you elected Coverage B during the election period.

To make sure which disability coverage you have, check your *Annual Statement of Account* or call us at 800-228-5453.

## Coverage A – Disability Allowance Program

The information in this section is for individuals who became members of CalSTRS after October 15, 1992, and did not elect Coverage B. If you elected Coverage B, see Coverage B – Disability Retirement Program later in this section.

If you receive Disability Allowance Coverage A, the disability benefit will continue to be paid as long as you remain disabled or until you reach age 60.

At age 60, the disability allowance will terminate and you will be eligible to apply for service retirement. A disability allowance may continue beyond age 60 only if you have eligible children and remain disabled. For a definition of eligible children, see the glossary.

### Eligibility Requirements

To apply for a disability allowance you must meet the following requirements:

- **Age**  
You must be under age 60.
- **Service credit**  
You must have five or more years of credited service. Four of the five years of credit must be for actual performance of creditable service. At least one year of service credit must have been earned after the date of your most recent reinstatement to membership:
  - 1) After receiving a disability benefit.
  - 2) Following a service retirement or

- 3) Following the most recent refund of your accumulated contributions, if applicable.

AND

Your last five years of credited service must have been performed in California.

You may be eligible for a disability allowance with one year of credited California service if you are disabled due to an unlawful act of bodily harm committed by another person upon you while you were working in CalSTRS-covered employment. If you believe this circumstance applies to you, contact CalSTRS or a benefits counselor for more information.

### Calculating Coverage A – Disability Allowance

If you are approved to receive a disability allowance, it will be 50 percent of final compensation for most applicants.

Final compensation for a full-time employee with less than 25 years of credited service is generally the highest average monthly compensation earnable during any period of three consecutive years (36 consecutive months). For a member with 25 or more years of credited service, final compensation is the highest 12 consecutive months.

For periods of part-time employment such as hourly, substitute and daily salaries, final compensation may be computed using actual salary earned during that period. For more information, contact CalSTRS or visit our Web site.

If you are approved to receive a disability allowance, you will receive the balance of your Defined Benefit Supplement as discussed in Section 6, Your Retirement Benefit. If you have an account balance of at least \$3,500 you can, on retiring, choose one of the following five annuities which are detailed in Section 6:

- Single-life annuity with cash refund.
- Single-life annuity without cash refund.
- 100 percent joint and survivor annuity.
- 50 percent joint and survivor annuity.
- Period-certain annuity.



### Alternative Formula – Coverage A

If you have less than 10 years of service credit and become disabled between the ages of 45 and 60, an alternative disability allowance formula applies. In this case, the formula is 5 percent of final compensation for each year of credited service.

#### Less Than 10 Years

##### Alternative Formula - Coverage A

If you qualify for a disability allowance at age 50 with five years of service credit, you would receive a benefit of 25 percent of final compensation. If your final compensation is \$3,600 a month, your benefit would be calculated as follows:

$$5\% \times 5 \text{ years of service credit} = 25\%$$

$$25\% \times \$3,600 = \text{\$900 disability allowance}$$

### Other Benefits that Affect Your CalSTRS Disability Allowance

Your monthly CalSTRS disability allowance, including the amount received for a dependent child, will be reduced by the full amount paid or payable from other public systems including:

- Workers' compensation.
- Social Security disability.
- Federal military disability.
- Income protection plans — if premiums were paid by the school employer, not by the member — and any other disability program financed with public funds.

### Benefits Increase for Dependent Children

If you have eligible children you will receive an additional 10 percent of final compensation for each child, up to a maximum of four children, or 40 percent. The maximum benefit payable to a member is 90 percent of final compensation.

A child is eligible if, on the effective date of the disability allowance, he or she is:

- The unmarried or unregistered natural, adopted or stepchild of the member and not adopted by a person other than the member's spouse or registered domestic partner,

- Born within the 10-month period commencing on the effective date of the member's disability allowance,
- Under age 22, and
- Financially dependent upon the member.

When a child no longer meets the eligibility requirements, the monthly benefit will be reduced by that child's portion.

### Coverage A – Disability Allowance Examples

Final compensation must be determined before the monthly disability allowance can be calculated. Service credit is not a factor in the determination of the disability allowance, except when determining the monthly benefit under Coverage A when a member has less than 10 years of service credit and is between the ages of 45 and 60.

### Disability Allowance

#### More than 10 years with children

Charles is granted disability benefits with a benefit effective date of July 1. He has 14 years of service credit. Charles has one child eligible for benefits and he receives \$300 a month from workers' compensation.

8

#### Disability Allowance More Than 10 Years

##### Step A: Final Compensation

Highest 36 consecutive months earnable salary

7/1/03 to 6/30/04 (12 mo)      \$42,430

7/1/02 to 6/30/03 (12 mo)      \$39,850

7/1/01 to 6/30/02 (12 mo)      \$37,700

**Final Compensation \$119,980 (36 mo. total) ÷ 36 months = \$ 3,332.78**

##### Step B: 50% Formula

1. Final compensation x 50%	
\$3,332.78 x 50%	\$1,666.39
2. Eligible children (1 child @ 10%)	
10% x \$3,332.78	+ \$333.28
3. Monthly allowance before offset for other public benefit	
\$1,666.39 + 333.28	= \$1,999.67
4. Less benefit payable from another public system (Workers' Compensation)	- \$300.00
5. <b>Adjusted Monthly Allowance</b>	<b>= \$1,699.67</b>

### Alternative Formula

#### Less than 10 years with children

Sharon is granted disability benefits with a benefit effective date of January 1. She has service credit of 8.072 years and is between age 45 and 60. She has two eligible children and receives \$300 a month from workers' compensation.

### Disability Allowance Less Than 10 Years

#### Step A: Final Compensation

Highest 36 consecutive months earnable salary

7/1/04 to 12/31/04 (6 mo)	\$20,950
7/1/03 to 6/30/04 (12 mo)	\$39,256
7/1/02 to 6/30/03 (12 mo)	\$36,624
7/1/01 to 6/30/02 (6 mo)	\$17,265

**Final Compensation \$114,095 (36 mo. total) ÷ 36 Months = \$ 3,169.31**

#### Step B: 50% Formula

Number of years of service credit 8.072

1. Service Credit x 5% x Final Compensation 8.072 x 5% x \$3,169.31	\$1,279.13
2. Eligible children 2 x 10% x \$3,169.31	+ \$633.86
3. Monthly allowance before offset for other public benefit \$1,279.13 + \$633.86	= \$1,912.99
4. Less benefit payable from other public system (Workers' Compensation)	- \$300.00
5. <b>Adjusted Monthly Allowance</b>	<b>= \$1,612.99</b>

### Earnings Limits

You are allowed to earn money once you are approved and begin receiving a disability allowance. CalSTRS recognizes it can be helpful for you to begin with part-time or limited employment as you return to teaching or other employment.

The law establishes two separate earnings limits for members receiving a disability allowance: a single-month earnings limit and a six-month earnings limit. Both limits apply to all earned income. The earnings limits are initially based on your final compensation. Each year an index factor, developed from the average salary increase of all CalSTRS active members, is used to determine indexed final compensation. Indexed final compensation serves as a measure of current salaries.

#### Single-Month Earnings Limit

The sum of your base disability allowance, that is, your monthly benefit before offset for other public benefits, plus your earnings from all employment, is compared to your indexed final compensation. A comparison is made to determine if your earnings have exceeded the single-month earnings limit.

If the earnings exceed the limit, the excess amount is considered an overpayment and CalSTRS must collect it back dollar for dollar.

### Single-Month Limit

Margaret has a base disability allowance of \$1,500 and employment earnings of \$2,075 in a single month. Her employment earnings plus the base disability allowance exceed 100 percent of indexed final compensation (\$3,100).

\$1,500	(base disability allowance)
+ 2,075	(monthly employment earnings)
= 3,575	(total monthly income)
- 3,100	(indexed final compensation)
= \$475	(overpayment, which will be recovered by CalSTRS)

### Six-Month Earnings Limit

CalSTRS makes a separate calculation that compares your earnings to  $66\frac{2}{3}$  percent of your indexed final compensation.

If you are able to earn  $66\frac{2}{3}$  percent of the indexed final compensation from employment earnings over a continuous six-month period, you are no longer considered disabled. Your disability allowance will be terminated and any benefit payments made after this period will be recovered by CalSTRS.

Six-Month Limit	
Bob earns \$2,075 monthly from employment earnings over any continuous six-month period.	
\$3,100.00	(indexed final compensation)
x .66667	( $66\frac{2}{3}\%$ )
x 6	(months)
= \$12,400.06	(6 mo. earnings limit)
<hr/>	
\$2,075.00	(monthly employment earnings)
x 6	(months)
= \$12,450.00	(6 mo. employment earnings)
- \$12,400.06	(6 mo. earnings limit)
= \$49.94	(earnings in excess of 6 mo. earnings, which will be recovered by CalSTRS)

### Annual Report of Earnings

You are required to provide an annual report of your gross earnings to CalSTRS. The Employment Development Department and your employer provide verification of the earnings you report to CalSTRS.

### Periodic Review of Status

CalSTRS will review your medical and vocational status for continuing eligibility on a periodic basis. This review will include:

- Medical reports from your doctor.
- Your annual earnings from all employment, if any.

- An annual inquiry regarding other disability benefits.
- You should notify CalSTRS if you:
- Return to employment or become self-employed.
  - Change your address.
  - Receive a change in benefits from another public agency or the benefits end.
  - Have a child who marries or is no longer financially dependent.

It is important that you keep CalSTRS informed of events that may affect your benefit eligibility so that overpayment of benefits does not occur.

### Pre-Retirement Election of an Option

You are not required to cancel a pre-retirement election of an option to be eligible for a disability allowance. In addition, after reaching age 55, you may make a pre-retirement election of an option while receiving a disability allowance. A family allowance will not be payable if there is a pre-retirement election of an option in effect. For an explanation of family allowance see Section 9, Survivor Benefits.

This election is available if you want to ensure a monthly lifetime income to another person should you die prior to retirement. For more information about pre-retirement election of an option see the topic, Protecting Your Survivor with an Ongoing Benefit, in Section 6.

### Transitioning to Service Retirement

#### When You Reach Age 60

Approximately six months before your 60th birthday, CalSTRS will notify you of the pending termination of the disability allowance and your eligibility to apply for service retirement. The notification will include an estimate of the unmodified service retirement benefit you are eligible to receive and a service retirement application brochure.

Before calculating your service retirement benefit, CalSTRS will project your service credit through the duration of your

disability. The final compensation used for the disability allowance will be projected forward at the rate of 2 percent per year. Your retirement benefit will be calculated using your actual and projected service credit and projected final compensation. You will receive either the service retirement benefit or the disability allowance you had been receiving prior to your 60th birthday, whichever is less.

You may also elect to modify the service retirement benefit by choosing one of the available options. If you had a pre-retirement election of an option before receiving your disability allowance, you can change your election if you convert to service retirement. However, if you do change, your retirement benefit will be reduced for life.

For more information, call the CalSTRS automated telephone system at 800-228-5453 and select Teletalk message 426 or go to [www.calstrs.com](http://www.calstrs.com).

## **Coverage B – Disability Retirement Program**

This section is for members who joined CalSTRS after October 15, 1992, and for individuals who elected Disability Retirement Coverage B during the election held between October 1992 and April 1993. A member receiving a disability retirement benefit does not receive service credit. Your benefit will continue to be paid as long as you remain disabled, without respect to age. If it is determined that you are no longer disabled, or you return to full-time employment, your disability retirement will be terminated and you will be reinstated to active membership.

### **Return to Active Membership**

If you return to active service as a CalSTRS Defined Benefit member, when you retire your retirement benefit calculation will be affected by the time you received a disability allowance or disability retirement benefit.

## **Workers' Compensation**

If a member receives both a CalSTRS disability retirement benefit and a disability benefit under a workers' compensation program for the same disability, the CalSTRS benefit will be reduced by an amount equal to the workers' compensation benefit.

## **Eligibility Requirements**

To apply for a disability retirement benefit, you must meet the following requirements:

- **Age**

There are no restrictions.

- **Service credit**

You must have five or more years of credited service. Four of the five years of credit must be for actual performance of creditable service. At least one year of service credit must have been earned after the date of your most recent reinstatement to membership:

- 1) After receiving a disability benefit.
- 2) Following a service retirement or
- 3) Following the most recent refund of your accumulated contributions.

AND

Your last five years of credited service must have been performed in California.

You may be eligible for a disability retirement benefit — with one year of credited California service — if you are disabled due to another person committing an unlawful act of bodily harm upon you while you were working in CalSTRS-covered employment. If you believe this circumstance applies to you, contact CalSTRS or a benefits counselor for more information.

## **Option Beneficiary**

An option is a plan feature that allows you to choose to redistribute your disability retirement benefit over both your lifetime and the lifetime of another person or persons. An option provides a modified retirement benefit based on a percentage of the unmodified benefit level. At the time you begin receiving a disability retirement benefit, you may elect an option if you wish to have another person



or persons receive a monthly income after your death. The amount of your modified benefit will depend upon your age and the age of your option beneficiary or beneficiaries on your disability retirement effective date. For option descriptions, see Section 6, Your Retirement Benefit.

Option tables for disability are not included in this handbook. We recommend that you contact a benefits counselor for an estimate of your benefit and the benefit of your beneficiary or beneficiaries under each of the options.

### **Calculating Coverage B – Disability Retirement**

If you are approved to receive a disability retirement benefit, it will be 50 percent of your final compensation. This is also referred to as the *unmodified* benefit. An unmodified benefit is usually the highest monthly benefit available to a retired member. Upon death, the unmodified benefit will stop; it does not provide for a monthly income to a survivor after your death.

Final compensation for a full-time employee with 25 years of service credit is a member's highest average monthly earnable compensation during any period of one year (12 consecutive months) of credited service. For those with less than 25 years of service credit, final compensation is a member's highest average monthly earnable compensation during any period of three consecutive years (36 consecutive months). One-year final compensation is available under certain circumstances. For information on nonconsecutive final compensation and one-year final compensation, see Final Compensation in Section 6.

For periods of part-time employment (hourly, substitute, daily), final compensation may be computed using actual salary earned during that period. Call us for details at 800-228-5453.

### **Defined Benefit Supplement Distribution**

If you are approved to receive a disability retirement benefit, you will receive the balance of your Defined Benefit Supplement as discussed in Section 6, Your Retirement Benefit. If you have an account balance of at least \$3,500 you can, on retiring, choose one of the following five annuities which are detailed in Section 6:

- Single-life annuity with cash refund.
- Single-life annuity without cash refund.
- 100 percent joint and survivor annuity.
- 50 percent joint and survivor annuity.
- Period-certain annuity.

### **How Other Benefits Affect the CalSTRS Disability Retirement Benefit**

Your monthly CalSTRS disability retirement benefit will be reduced by the full amount paid or payable from workers' compensation.

### **Increased Benefit for Dependent Children**

If you have eligible children you will receive an additional 10 percent of final compensation for each child, up to a maximum of four children or 40 percent. The maximum benefit payable to a member is 90 percent of final compensation.

To qualify, your child must be financially dependent upon you on the effective date of your disability retirement benefit and must be under age 21. When your child no longer meets the eligibility requirements, the monthly benefit will be reduced by that child's portion. Children's CalSTRS benefits will not be affected by receipt of other benefits.

### Calculation Example

Final compensation must be determined before your monthly benefit can be calculated. Service credit is not a factor in the determination of the disability retirement benefit.

Your unmodified benefit will be adjusted depending on the disability retirement option you have selected.

#### Disability Retirement Calculation

Jack is granted benefits with an effective date of September 1. He has three eligible dependent children. Jack has elected to receive an unmodified benefit. He is not eligible for workers' compensation.

##### Step A: Final Compensation

36 consecutive months earnable salary

7/1/04–8/31/04 ( 2 mo.) \$ 5,727.30

7/1/03–6/30/04 (12 mo.) \$33,099.00

7/1/02–6/30/03 (12 mo.) \$30,375.60

9/1/01–6/30/02 (10 mo.) \$24,908.30

**Final Compensation \$94,110.20 (36 mo. total) ÷ 36 months = \$2,614.17**

##### Step B: Calculate Disability Retirement Benefit

1. Final Compensation x 50%	
= Unmodified Benefit (\$2,614.17 x 50%)	= \$1,307.09
2. Benefit payable from workers' compensation	- \$0.00
3. Number of eligible children (3 x 10% x \$2,614.17)	+ \$784.25
4. <b>Adjusted Monthly Benefit</b>	<b>= \$2,091.34</b>

### Earnings Limit

You are allowed to earn money once you are approved and begin receiving a disability retirement benefit. CalSTRS recognizes that it can be helpful to begin with limited employment as you return to teaching or other employment. However, your earnings from all types of employment, including self-employment, are subject to an earnings limit, unless you are participating in an approved CalSTRS rehabilitation plan.

### How Much You Can Earn and Still Receive a Disability Retirement Benefit

Your CalSTRS disability retirement benefit will be reduced dollar-for-dollar by the total amount of earnings from all employment in excess of the 12-month calendar year limit. You will be required to provide CalSTRS with an annual report of your gross earnings from all employment. The Employment Development Department and your employer(s) verify the reported earnings.

The 2005 calendar year earnings limit is \$22,650. The limit is determined early each calendar year. Call CalSTRS after March 1 to learn the limit for 2006.

### Periodic Review of Status

CalSTRS will review your medical and vocational status for continuing eligibility on a periodic basis. This review will include:

- Medical reports from your doctor.
  - Your annual earnings from all employment, if any.
  - An annual inquiry about other disability benefits.
- You should notify CalSTRS if you:
- Return to employment or become self-employed.
  - Change your address.
  - Receive a change in benefits you receive from workers' compensation.

It is important that you keep CalSTRS informed of events that may affect your benefit eligibility so that overpayment of benefits does not occur. Failure to respond to requests for information could result in the termination of benefits.